

## FAQ's on Strategic Petroleum Reserve proposed for salt domes in Perry County, Mississippi

Q. What's your take on the Richton Salt Dome plan? Explain why.

A. I know the tendency is to refer to these kinds of large projects by some informal name, but, officially, this is part of the U.S. Department of Energy's Strategic Petroleum Reserve program. The Strategic Petroleum Reserve project in Perry County is a necessary component of both national security and energy policy. Having strategic petroleum supplies in place is important in preparing for times of crisis. People on the Mississippi Gulf Coast certainly know better than most that times of crisis are inevitable, and if we are wise, we should equip ourselves to respond to the next disaster situation, whether it be in the Gulf region or some other part of our country. Mississippi is well-suited to play an important role in this program for several reasons.

- Proximity to the shipping channels in the Gulf;
- The fact that petroleum pipelines feeding the East Coast run through Mississippi;
- Some geologic formations that exist beneath the surface of Mississippi are ideal for petroleum storage.

Q. How will it affect the state, as far as economics, permanent and temporary jobs, environmental issues, etc.?

A. Other than being a part of good national security and energy policy, a Strategic Petroleum Reserve site in Mississippi brings enormous economic benefits to South Mississippi. The project is expected to take about 10 years to complete and cost about \$4 billion. Site construction is expected to create about 500 jobs at peak and generate approximately \$825 million in wages during the construction phase. 100 permanent jobs are expected, with annual wages of around \$5 million. Additionally, the proposed terminals in Amite County and Pascagoula are expected to create another 10-20 permanent jobs. Before construction begins, many formal environmental processes must be completed. This includes the following:

- Permits through the U.S. Army Corps of Engineers and the Mississippi Department of Environmental Quality that require detailed plans of avoidance, minimization, and mitigation strategies for wetlands, aquatic resources, and water quality due to the facility, utility lines, water withdrawal, and brine disposal.
- A biological opinion from the U.S. Fish and Wildlife Service that the project does not adversely impact any threatened or endangered species and mitigation conditions to avoid adverse impacts.
- Concurrence from the National Oceanic and Atmospheric Administration and the Mississippi Department of Marine Resources that fisheries habitat is not adversely

impacted by the utility lines, raw water intake, terminal, water withdrawal and brine disposal.

These processes, in addition to the Supplemental Environmental Impact Statement that DOE has notified me about, include ample opportunity for public comment and I encourage people to take advantage of that opportunity. I am in favor of proceeding with the project and a plan that everyone understands. The very thorough processes required by federal law will insure that the project is done in an environmentally friendly manner.

Q. A lot has been made in South Mississippi about the plan to pump fresh water out of the Pascagoula River, and then pump water with much higher saline levels back into the Mississippi Sound as part of the Salt Dome plan. Fishermen and some of the local environmental groups are concerned about this aspect of the plan. Some have said the plan should be reconsidered because of its environmental impact. What's your take?

As mentioned in the previous answer, federal law requires many permitting and consultation processes for federally sponsored projects like the Strategic Petroleum Reserve. These processes are in place so project plans will be developed in a way that is best suited to protect natural resources.

Q. What will be the state's contribution to the plan, as far as financially and otherwise?

A. As I mentioned, various state governmental agencies will be involved in the appropriate permitting processes. Beyond that, Mississippi's workforce will be a valuable source of construction and other jobs for a nationally important federal project, leading to tremendous economic benefits especially in South Mississippi.